



3015 (02-09-04)

ANNUAL REPORT

OF

Name: KNAPP MUNICIPAL WATER AND SEWER UTILITY

Principal Office: P.O. BOX 86
KNAPP, WI 54749-0086

For the Year Ended: DECEMBER 31, 2002

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

SIGNATURE PAGE

I RONALD FINDER of
(Person responsible for accounts)

_____, KNAPP MUNICIPAL WATER AND SEWER UTILITY, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

	04/10/2003
(Signature of person responsible for accounts)	(Date)

PRESIDENT _____
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: KNAPP MUNICIPAL WATER AND SEWER UTILITY**Utility Address:** P.O. BOX 86
KNAPP, WI 54749-0086**When was utility organized?** 12/31/1998**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: VERNA MCCLELLAND**Title:** CLERK**Office Address:**P.O. BOX 86
KNAPP, WI 54749-0086**Telephone:** (715) 665 - 2495**Fax Number:** () -**E-mail Address:**

Individual or firm, if other than utility employee, preparing this report:

Name: LARRY A. CICHSE**Title:** CPA**Office Address:** WJ BAUMAN ASSOCIATES, LTD101 N. MAIN STREET
P.O. BOX 92
RIVER FALLS, WI 54022**Telephone:** (715) 425 - 6179**Fax Number:** (715) 425 - 1002**E-mail Address:** larrycichse@wjbcpa.com

President, chairman, or head of utility commission/board or committee:

Name: RONALD FINDER**Title:** PRESIDENT**Office Address:**P.O. BOX 86
KNAPP, WI 54749-0086**Telephone:** (715) 665 - 2495**Fax Number:****E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name: LARRY A. CICCHESE**Title:** CPA**Office Address:** WJ BAUMAN ASSOCIATES, LTD

101 N. MAIN STREET

P.O. BOX 92

RIVER FALLS, WI 54022

Telephone: (715) 425 - 6179**Fax Number:** (715) 425 - 1002**E-mail Address:** larrycicchese@wjbcpa.com**Date of most recent audit report:** 4/25/2002**Period covered by most recent audit:** DECEMBER 31, 2001

Names and titles of utility management including manager or superintendent:

Name: ROBERT HOYT**Title:** SUPERINTENDENT**Office Address:**

VILLAGE OF KNAPP

P.O. BOX 86

KNAPP, WI 54749-0086

Telephone: (715) 665 - 2495**Fax Number:** () -**E-mail Address:**

Name: RONALD FINDER**Title:** PRESIDENT**Office Address:**

P.O. BOX 86

KNAPP, WI 54749-0086

Telephone: (715) 665 - 2495**Fax Number:****E-mail Address:**

Name: VERNA MCCLELLAND**Title:** CLERK**Office Address:**

VILLAGE OF KNAPP

P.O. BOX 86

KNAPP, WI 54749-0086

Telephone: (715) 665 - 2495**Fax Number:****E-mail Address:**

Name of utility commission/committee: UTILITY COMMITTEE

Names of members of utility commission/committee:

MR RONALD FINDER, PRESIDENT

MR ROBERT HOYTE, SUPERINTENDENT

IDENTIFICATION AND OWNERSHIP

Is sewer service rendered by the utility?
Name of sewer service authority or committee:

If "yes," has the municipality by ordinance combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes? YES

Date of Ordinance:

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	45,751	48,562	1
Operating Expenses:			
Operation and Maintenance Expense (401)	37,221	26,743	2
Depreciation Expense (403)	7,612	7,306	3
Amortization Expense (404)	0	0	4
Taxes (408)	11,449	10,873	5
Total Operating Expenses	56,282	44,922	
Net Operating Income	(10,531)	3,640	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	(10,531)	3,640	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	1,326	3,222	9
Miscellaneous Nonoperating Income (421)	(27,645)	161	10
Total Other Income	(26,319)	3,383	
Total Income	(36,850)	7,023	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	0	0	12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	(36,850)	7,023	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	15,744	15,921	13
Amortization of Debt Discount and Expense (428)			14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	15,744	15,921	
Net Income	(52,594)	(8,898)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	5,605	14,503	19
Balance Transferred from Income (433)	(52,594)	(8,898)	20
Miscellaneous Credits to Surplus (434)	0	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	(46,989)	5,605	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE		3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
BANK INTEREST	1,326	4
Total (Acct. 419):	1,326	
Miscellaneous Nonoperating Income (421):		
LOSS FROM NONREGULATED SEWER	(27,645)	5
Total (Acct. 421):	(27,645)	
Miscellaneous Amortization (425):		
NONE		6
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		7
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		8
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		9
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		10
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		11
Total (Acct. 439)--Debit:	0	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	45,751	0	0	0	45,751	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:					0	6
Revenues subject to Wisconsin Remainder Assessment	45,751	0	0	0	45,751	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	406,070	402,490	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	173,780	165,973	2
Net Utility Plant	232,290	236,517	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	1,329,617	1,326,149	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	158,517	139,895	4
Net Nonutility Property	1,171,100	1,186,254	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	0	0	7
Total Other Property and Investments	1,171,100	1,186,254	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	69,722	133,223	8
Temporary Cash Investments (132)	15,154	14,966	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	6,226	8,467	11
Other Accounts Receivable (143)	16,619	18,406	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0	0	14
Materials and Supplies (150)	4,473	4,003	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)		0	17
Total Current and Accrued Assets	112,194	179,065	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	1,515,584	1,601,836	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	130,768	130,768	21
Appropriated Earned Surplus (215)		0	22
Unappropriated Earned Surplus (216)	(46,989)	5,605	23
Total Proprietary Capital	83,779	136,373	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	317,084	314,523	25
Other long-Term Debt (224)	536,993	574,504	26
Total Long-Term Debt	854,077	889,027	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	433	245	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)		0	30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	2,996	3,492	32
Other Current and Accrued Liabilities (238)		0	33
Total Current and Accrued Liabilities	3,429	3,737	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)		0	35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)		0	37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	574,299	572,699	38
Total Liabilities and Other Credits	1,515,584	1,601,836	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (100)	406,070	0	0	0	1
Utility Plant Purchased or Sold (391)					2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)					6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	406,070	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	173,780	0	0	0	9
Total Accumulated Provision	173,780	0	0	0	
Net Utility Plant	232,290	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT (ACCT. 110)

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	165,973				165,973	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	7,612				7,612	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	195				195	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	7,807	0	0	0	7,807	13
Debits during year						14
Book cost of plant retired	0				0	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	0	0	0	0	0	19
Balance End of Year	173,780	0	0	0	173,780	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	2.26%					22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	1,326,149	3,468		1,329,617	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	1,326,149	3,468	0	1,329,617	
Less accum. prov. depr. & amort. (122)	139,895	18,622		158,517	3
Net Nonutility Property	1,186,254	(15,154)	0	1,171,100	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel for generation					0	0	1
Other					0	0	2
Total Electric Utility					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	3,361	3,096	2
Sewer utility	1,112	907	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	4,473	4,003	

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
<hr/>				
Unamortized debt discount & expense (181)				1
Total			<u>0</u>	
Unamortized premium on debt (251)				2
<hr/>				
Total			<u>0</u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	130,768	1
Changes during year (explain):		2
Balance end of year	130,768	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
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NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
ADVANCE FROM VILLAGE	00/00/0000	00/00/0000	0.00%	317,084	1
Total for Account 223				317,084	
Other Long-Term Debt (224)					
Clean Water Act	12/22/1998	11/01/2017	2.64%	510,203	2
JOHN DEERE FINANCING	11/29/2001	11/29/2005	4.90%	16,790	3
ADVANCE 2	03/15/1984	03/15/2004	8.75%	10,000	4
Total for Account 224				536,993	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	11,449	2
Charged electric department expense		3
Charged sewer department expense	2,629	4
Other (explain):		
NONE		5
Total Accruals and other credits	14,078	
Taxes paid during year:		
County, state and local taxes	10,522	6
Social Security taxes	3,614	7
PSC Remainder Assessment		8
Other (explain):		
PSC Remainder Assessment Refund	(58)	9
Total payments and other debits	14,078	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
advance	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
FMHA	0			0	3
CWA Loan	2,334	13,712	13,832	2,214	4
JOHN DEERE LOAN	94	1,074	1,096	72	5
STATE OF WI	1,064	958	1,312	710	6
Subtotal	3,492	15,744	16,240	2,996	
Notes Payable (231)					
NONE	0			0	7
Subtotal	0	0	0	0	
Total	3,492	15,744	16,240	2,996	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	107,867	0	0	464,832	0	572,699	1
Add credits during year:							
For Services	800			800		1,600	2
For Mains						0	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	108,667	0	0	465,632	0	574,299	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						0	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	6,226	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	6,226	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	16,619	9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	16,619	
Receivables from Municipality (145):		
NONE		12
Total (Acct. 145):	0	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)
Payables to Municipality (233):	
NONE	16
Total (Acct. 233):	0
Other Deferred Credits (253):	
NONE	17
Total (Acct. 253):	0

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	404,280	0	0	0	404,280	1
Materials and Supplies	3,228	0	0	0	3,228	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	169,876	0	0	0	169,876	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	108,267	0	0	0	108,267	6
Other (specify):					0	7
Average Net Rate Base	129,365	0	0	0	129,365	
Net Operating Income	(10,531)	0	0	0	(10,531)	8
Net Operating Income as a percent of						
Average Net Rate Base	-8.14%	N/A	N/A	N/A	-8.14%	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	130,768	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	(20,692)	3
Other (Specify):		4
Total Average Proprietary Capital	110,076	
Net Income		
Net Income	(52,594)	5
Percent Return on Proprietary Capital	-47.78%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership - Contacts (Page iv)

1/15/04, no response: review again in 2003.
April 17, 2003

Ms. Verna McClelland, Clerk
Knapp Municipal Water Utility
P.O. Box 86
Knapp, WI 54749-0086

2002 Analytical Review DWCCA-2880-ELE

Dear Ms. McClelland:

The Public Service Commission (Commission) staff has completed its analytical review of your utility's 2002 annual report. The primary purpose of the analytical review is to detect possible reporting or accounting related errors and also to identify significant fluctuations from prior years' data that are not sufficiently explained in the annual report. The analytical review did not identify any issues from the 2002 annual report. However the following issues are outstanding from prior reviews:

1. In 2000, two services were reported added on Page W-16. Corresponding dollars were not added to Account 345, Water Services, Page W-8. Please confirm in writing that an adjustment will be made to Account 345 on the 2003 annual report for the costs of these services additions, or otherwise explain this matter.

2. In 2001, \$14,104 was reported added to Account 379, Other General Equipment, Page W-8. The headnotes to that schedule require an explanation for additions over \$10,000 not supported by a statistical schedule. Please furnish an explanation of that addition.

Responding to the questions posed from the analytical review does not preclude you from possibly receiving other inquiries from our office regarding your annual report in the future: for instance, during a rate case, construction authorization, or other Commission reviews.

We appreciate your cooperation in providing the above information. If you have any questions, please feel free to contact me at (608) 266-3768. Please respond within 30 days of this letter. We prefer that you respond by e-mail if it is convenient for you to do so. My e-mail address

is elaine.engelke@psc.state.wi.us. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

Elaine Engelke
Financial Specialist
Division of Water, Compliance, and Consumer Affairs

FINANCIAL SECTION FOOTNOTES

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WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	45,110	1
Total Sales of Water	45,110	
Other Operating Revenues		
Forfeited Discounts (470)	170	2
Other Water Revenues (474)	471	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	641	
Total Operating Revenues	45,751	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	22,295	5
General Operating Expenses (680-690)	14,926	6
Total Operation and Maintenance Expenses	37,221	
Other Operating Expenses		
Depreciation Expense (403)	7,612	7
Amortization Expense (404)		8
Taxes (408)	11,449	9
Total Other Operating Expenses	19,061	
Total Operating Expenses	56,282	
NET OPERATING INCOME	(10,531)	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	177	6,777	24,024	4
Commercial	15	804	2,682	5
Industrial	2	236	880	6
Total Metered Sales to General Customers (461)	194	7,817	27,586	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		16,907	8
Other Sales to Public Authorities (464)	4	224	617	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	199	8,041	45,110	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	16,907	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	16,907	
Forfeited Discounts (470):		
Customer late payment charges	170	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	170	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	471	7
Other (specify):		
NONE	0	8
Total Other Water Revenues (474)	471	
Amortization of Construction Grants (475):		
NONE		9
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	12,504	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	2,412	3
Chemicals (630)	1,713	4
Supplies and Expenses (640)	2,752	5
Repairs of Water Plant (650)	2,006	6
Transportation Expenses (660)	908	7
Total Plant Operation and Maintenance Expenses	22,295	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	6,179	8
Office Supplies and Expenses (681)	1,271	9
Outside Services Employed (682)	2,689	10
Insurance Expense (684)	464	11
Employees Pensions and Benefits (686)	4,323	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
Total General Operating Expenses	14,926	
Total Operation and Maintenance Expenses	37,221	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent		10,522	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		445	2
Net property tax equivalent		10,077	
Social Security	RATIO OF ACTUAL TIME SPENT	1,430	3
PSC Remainder Assessment		(58)	4
Other (specify): NONE			5
Total tax expense		11,449	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Dunn				1
SUMMARY OF TAX RATES							2
State tax rate	mills		2.596773				3
County tax rate	mills		8.862321				4
Local tax rate	mills		6.973480				5
School tax rate	mills		25.656609				6
Voc. school tax rate	mills		2.319063				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		46.408246				10
Less: state credit	mills		1.830977				11
Net tax rate	mills		44.577269				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		6.973480				14
Combined School Tax Rate	mills		27.975672				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		34.949152				17
Total Tax Rate	mills		46.408246				18
Ratio of Local and School Tax to Total	dec.		0.753081				19
Total tax net of state credit	mills		44.577269				20
Net Local and School Tax Rate	mills		33.570279				21
Utility Plant, Jan. 1	\$	402,490	402,490				22
Materials & Supplies	\$	4,473	4,473				23
Subtotal	\$	406,963	406,963				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	406,963	406,963				26
Assessment Ratio	dec.		0.770179				27
Assessed Value	\$	313,434	313,434				28
Net Local & School Rate	mills		33.570279				29
Tax Equiv. Computed for Current Year	\$	10,522	10,522				30
Tax Equivalent per 1994 PSC Report	\$	10,305					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	10,522					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	200		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	51,778		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	51,978	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	31,525		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	48,799		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	1,816		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	82,140	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	1,298		23
Total Water Treatment Plant	1,298	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	6,842		24
Structures and Improvements (341)	0		25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			200	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			51,778	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	51,978	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			31,525	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			48,799	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			1,816	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	82,140	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			1,298	23
Total Water Treatment Plant	0	0	1,298	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			6,842	24
Structures and Improvements (341)			0	25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	25,408		26
Transmission and Distribution Mains (343)	148,630		27
Fire Mains (344)	0		28
Services (345)	24,340	135	29
Meters (346)	17,197	112	30
Hydrants (348)	29,703		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	252,120	247	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	14,954	3,333	38
Other Tangible Property (390)	0		39
Total General Plant	14,954	3,333	
Total utility plant in service directly assignable	402,490	3,580	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	402,490	3,580	

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)			25,408 26
Transmission and Distribution Mains (343)			148,630 27
Fire Mains (344)			0 28
Services (345)			24,475 29
Meters (346)			17,309 30
Hydrants (348)			29,703 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	252,367
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			18,287 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	18,287
Total utility plant in service directly assignable	0	0	406,070
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	406,070

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			742	742	1
February			675	675	2
March			769	769	3
April			766	766	4
May			771	771	5
June			775	775	6
July			841	841	7
August			762	762	8
September			707	707	9
October			803	803	10
November			690	690	11
December			707	707	12
Total annual pumpage	0	0	9,008	9,008	
Less: Water sold				8,041	13
Volume pumped but not sold				967	14
Volume sold as a percent of volume pumped				89%	15
Volume used for water production, water quality and system maintenance				147	16
Volume related to equipment/system malfunction				30	17
Non-utility volume NOT included in water sales				180	18
Total volume not sold but accounted for				357	19
Volume pumped but unaccounted for				610	20
Percent of water lost				7%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss: N/A					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				70	23
Date of maximum: 10/5/2002					24
Cause of maximum: Fire					25
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				11	26
Date of minimum: 10/6/2002					27
Total KWH used for pumping for the year				26,038	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
DEEP	1	245	8	100,000	Yes	1
DEEP	2	240	10	250,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification	1	2	1
Location	WELLHOUSE 1	WELLHOUSE 2	2
Purpose	P	P	3
Destination	D	D	4
Pump Manufacturer	PEERLESS 10 STAGE	BYRON-JACKSON	5
Year Installed	1967	1984	6
Type	CENTRIFUGAL	VERTICAL TURBINE	7
Actual Capacity (gpm)	1	1	8
Pump Motor or Standby Engine Mfr	PEERLESS	BYRON-JACKSON	10
Year Installed	1967	1984	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	15	25	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)
Identification			14
Location			15
Purpose			16
Destination			17
Pump Manufacturer			18
Year Installed			19
Type			20
Actual Capacity (gpm)			21
Pump Motor or Standby Engine Mfr			22
Year Installed			23
Type			24
Horsepower			25
			26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	1		1
RESERVOIRS, STANDPIPES			2
OR ELEVATED TANKS			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R		4
Year constructed	1967		5
Primary material (earthen, steel, concrete, other)	CONCRETE		6
Elevation difference in feet (See Headnote 3.)	123		7
Total capacity in gallons (actual)	86,600		8
WATER TREATMENT PLANT			9
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		10
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		11
Filters, type (gravity, pressure, other, none)	NONE		12
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.0000		13
Is a corrosion control chemical used (yes, no)?	Y		14
Is water fluoridated (yes, no)?	N		15

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet							
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)
M	D	4.000	304	0	0	0	304
M	D	6.000	21,771	0	0	0	21,771
M	D	8.000	2,020	0	0	0	2,020
Total Within Municipality			24,095	0	0	0	24,095
Total Utility			24,095	0	0	0	24,095

1
2
3

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	187	2	0	24	213	20	1
M	2.000	3	0	0	0	3		2
Total Utility		190	2	0	24	216	20	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	199	2	0	(1)	200	12	1
1.500	3	0	0	0	3	0	2
Total:	202	2	0	(1)	203	12	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	179	12	2	7	0	0	200	1
1.500	0	2	0	1	0	0	3	2
Total:	179	14	2	8	0	0	203	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	49				49	2
Total Fire Hydrants	49	0	0	0	49	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year

Number of hydrants operated during year:	49
Number of distribution system valves end of year:	36
Number of distribution valves operated during year:	18

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

Line 1: Salaries and Wages (600):

An additional employee was hired to train under the supervisor, who is retiring.

Line 8: Administrative and General Salaries (680):

Clerk's salary increased over the prior year.

Water Services (Page W-16)

Column: Additions:

Water service additions were financed through assessments per schedule Cz-1 of the Utilities rate file.

Column: Adjustments

Utility owned services not in use at the end of the year had apparently been treated as removed or permanently disconnected in a previous year. The adjustment corrects the total to an inventory taken at year end.

Meters (Page W-17)

Adjustments to .625 meters:

Utility took an inventory at yearend. The adjustment corrects the total.

SEWER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sewage Operating Revenues		
Sewage Operating Revenues (621-626)	76,081	1
Total Sewage Operating Revenues	76,081	
Other Operating Revenues		
Forfeited Discounts (631)	897	2
Servicing of Customers Lateral (632)	0	3
Sale of Fertilizer (633)	0	4
Rent from Sewerage Properties (634)	0	5
Miscellaneous Operating Revenues (635)	0	6
Amortization of Construction Grants (636)	0	7
Total Other Operating Revenues	897	
Total Operating Revenues	76,978	
Operation and Maintenance Expenses		
Operation Expenses (820-829)	26,563	8
Maintenance Expenses (831-834)	0	9
Customer Accounting & Collection Expenses (840-843)	8,804	10
Administrative and General Expenses (850-857)	47,810	11
Total Operation and Maintenance Expenses	83,177	
Other Operating Expenses		
Depreciation Expense (403)	18,817	12
Amortization Expense (404)		13
Taxes (408)	2,629	14
Total Other Operating Expenses	21,446	
Total Operating Expenses	104,623	
NET OPERATING INCOME	(27,645)	

SEWAGE OPERATING REVENUES

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for flat rate service.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. In the gallons column, report metered water or sewage used as the basis in determining customer bills.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons Billed (c)	Amounts (d)	
Operating Revenues				
Sewage Operating Revenues				
Flat Rate Service to General Customers (621)				
Residential Revenues				1
Commercial Revenues				2
Industrial Revenues				3
Revenues from Public Authorities				4
Total Flat Rate Service to General Customers (621)	0	0	0	
Measured Service to General Customers (622)				
Residential Revenues	177	6,776	63,872	5
Commercial Revenues	15	804	7,422	6
Industrial Revenues	4	236	2,777	7
Revenues from Public Authorities	2	224	2,010	8
Total Measured Service to General Customers (622)	198	8,040	76,081	
Service to Public Authorities (623)				9
Service to Other Systems (624)				10
Other Sewerage Service (625)				11
Interdepartmental Service (626)				12
Total Sewage Operating Revenues	198	8,040	76,081	

HIGH STRENGTH CONTRIBUTORS

1. High strength contributor is one with waste stronger than 250 mg/l for B.O.D. or 250 mg/l for suspended solids or 10 mg/l for phosphorus.
2. If domestic strength limits for BOD, SS and Phos. used for rate purposes are different from the levels indicated, please note the limits used in the spaces available.
3. The units "mg/l" are now used in place of the equivalent "ppm."
4. List type, volume, strength.

Type (a)	Volume Annual Gallons (000's) (b)	BOD (mg/l) (c)	SS (mg/l) (d)	Phos (mg/l) (e)
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NONE

OTHER OPERATING REVENUES (SEWER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
 2. Report each item (when individually or when like items are combined) greater than \$2,000 and all other lesser amounts grouped as Miscellaneous.

Particulars (a)	Amount (b)	
Customers Forfeited Discounts (631):		
Customer late payment charges	897	1
Other (specify):		
NONE		2
Total Customers Forfeited Discounts (631)	897	
Servicing of Customers Laterals (632):		
NONE		3
Total Servicing of Customers Laterals (632)	0	
Sale of Fertilizer (633):		
NONE		4
Total Sale of Fertilizer (633)	0	
Rent from Sewerage Property (634):		
NONE		5
Total Rent from Sewerage Property (634)	0	
Miscellaneous Operating Revenues (635):		
NONE		6
Total Miscellaneous Operating Revenues (635)	0	
Amortization of Construction Grants (636):		
NONE		7
Total Amortization of Construction Grants (636)	0	

SEWER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
OPERATION EXPENSES		
Supervision and Labor (820)	22,373	1
Power and Fuel for Pumping (821)	3,389	2
Power and Fuel for Aeration Equipment (822)		3
Chlorine (823)		4
Phosphorous Removal Chemicals (824)		5
Sludge Conditioning Chemicals (825)		6
Other Chemicals for Sewage Treatment (826)		7
Other Operating Supplies and Expenses (827)	801	8
Transportation Expenses (828)		9
Rents (829)		10
Total Operation Expenses	26,563	
MAINTENANCE EXPENSES		
Maintenance of Sewage Collection System (831)		11
Maintenance of Collection System Pumping Equipment (832)		12
Maintenance of Treatment and Disposal Plant Equipment (833)		13
Maintenance of General Plant Structures and Equipment (834)		14
Total Maintenance Expenses	0	
CUSTOMER ACCOUNTING & COLLECTION EXPENSES		
Billing, Collecting and Accounting (840)	8,804	15
Flat Rate Inspections (841)		16
Meter Reading (842)		17
Uncollectible Accounts (843)		18
Total Customer Accounting & Collection Expenses	8,804	
ADMINISTRATIVE AND GENERAL EXPENSES		
Administrative and General Salaries (850)		19
Office Supplies and Expenses (851)	839	20
Outside Services Employed (852)	39,209	21
Insurance Expense (853)	707	22
Employees Pensions and Benefits (854)	6,584	23

SEWER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
ADMINISTRATIVE AND GENERAL EXPENSES		
Regulatory Commission Expenses (855)		24
Miscellaneous General Expenses (856)	471	25
Rents (857)		26
Total Administrative and General Expenses	47,810	
Total Operation and Maintenance Expenses	83,177	

TAXES (ACCT. 408 - SEWER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Social Security		2,184	1
Local and School Tax Equivalent on Meters Charged by Water Department		445	2
PSC Remainder Assessment		0	3
Other (specify): NONE			4
Total tax expense		2,629	

SEWER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
COLLECTION SYSTEM			
Land and Land Rights (310)	1,043		4
Structures and Improvements (311)	0		5
Service Connections, Traps, and Accessories (312)	13,653	135	6
Collecting Mains and Accessories (313)	164,682		7
Interceptor Mains and Accessories (314)	0		8
Force Mains (315)	32,244		9
Other Collecting System Equipment (316)	0		10
Total Collection System	211,622	135	
COLLECTION SYSTEM PUMPING INSTALLATIONS			
Land and Land Rights (320)	0		11
Structures and Improvements (321)	0		12
Receiving Wells (322)	10,545		13
Electric Pumping Equipment (323)	6,642		14
Other Power Pumping Equipment (324)	0		15
Miscellaneous Pumping Equipment (325)	0		16
Total Collection System Pumping Installations	17,187	0	
TREATMENT AND DISPOSAL PLANT			
Land and Land Rights (330)	6,128		17
Structures and Improvements (331)	874,849		18
Preliminary Treatment Equipment (332)	0		19
Primary Treatment Equipment (333)	0		20
Secondary Treatment Equipment (334)	141,861		21
Advanced Treatment Equipment (335)	0		22
Chlorination Equipment (336)	0		23
Sludge Treatment and Disposal Equipment (337)	0		24
Plant Site Piping (338)	0		25
Flow Metering and Monitoring Equipment (339)	27,692		26
Outfall Sewer Pipes (340)	31,556		27

SEWER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
COLLECTION SYSTEM				
Land and Land Rights (310)			1,043	4
Structures and Improvements (311)			0	5
Service Connections, Traps, and Accessories (312)			13,788	6
Collecting Mains and Accessories (313)			164,682	7
Interceptor Mains and Accessories (314)			0	8
Force Mains (315)			32,244	9
Other Collecting System Equipment (316)			0	10
Total Collection System	0	0	211,757	
COLLECTION SYSTEM PUMPING INSTALLATIONS				
Land and Land Rights (320)			0	11
Structures and Improvements (321)			0	12
Receiving Wells (322)			10,545	13
Electric Pumping Equipment (323)			6,642	14
Other Power Pumping Equipment (324)			0	15
Miscellaneous Pumping Equipment (325)			0	16
Total Collection System Pumping Installations	0	0	17,187	
TREATMENT AND DISPOSAL PLANT				
Land and Land Rights (330)			6,128	17
Structures and Improvements (331)			874,849	18
Preliminary Treatment Equipment (332)			0	19
Primary Treatment Equipment (333)			0	20
Secondary Treatment Equipment (334)			141,861	21
Advanced Treatment Equipment (335)			0	22
Chlorination Equipment (336)			0	23
Sludge Treatment and Disposal Equipment (337)			0	24
Plant Site Piping (338)			0	25
Flow Metering and Monitoring Equipment (339)			27,692	26
Outfall Sewer Pipes (340)			31,556	27

SEWER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TREATMENT AND DISPOSAL PLANT			
Other Treatment and Disposal Plant Equipment (341)	746		28
Total Treatment and Disposal Plant	1,082,832	0	
GENERAL PLANT			
Land and Land Rights (370)	0		29
Structures and Improvements (371)	0		30
Office Furniture and Equipment (372)	0		31
Computer Equipment (372.1)	0		32
Transportation Equipment (373)	0		33
Other General Equipment (379)	14,507	3,333	34
Other Tangible Property (390)	0		35
Total General Plant	14,507	3,333	
Total utility plant in service directly assignable	1,326,148	3,468	
Common Utility Plant Allocated to Sewer Department	0		36
Total utility plant in service	1,326,148	3,468	

SEWER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TREATMENT AND DISPOSAL PLANT				
Other Treatment and Disposal Plant Equipment (341)			746	28
Total Treatment and Disposal Plant	0	0	1,082,832	
GENERAL PLANT				
Land and Land Rights (370)			0	29
Structures and Improvements (371)			0	30
Office Furniture and Equipment (372)			0	31
Computer Equipment (372.1)			0	32
Transportation Equipment (373)			0	33
Other General Equipment (379)			17,840	34
Other Tangible Property (390)			0	35
Total General Plant	0	0	17,840	
Total utility plant in service directly assignable	0	0	1,329,616	
Common Utility Plant Allocated to Sewer Department			0	36
Total utility plant in service	0	0	1,329,616	

SEWER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily disconnected or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by diameter; pipe materials do not need to be specified.

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
Sewer	4.000	184	2	0	26	212	20	1
Sewer	6.000	4	0	0	0	4	0	2
Total Utility		188	2	0	26	216	20	

SEWER MAINS

1. Report mains separately by diameter. Pipe materials do not need to be specified.
2. Explain all reported adjustments as a schedule footnote.
3. For main additions reported in column (c), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet						
Diameter in Inches (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	
6.000	10,432	0	0	0	10,432	1
8.000	21,533	0	0	0	21,533	2
12.000	110	0	0	0	110	3
Total Utility	32,075	0	0	0	32,075	

SEWER OPERATING SECTION FOOTNOTES

Sewer Operation & Maintenance Expenses (Page N-05)

Line 1: Supervision and labor (820):

Increase is due to additional employee hired to train under supervisor, who is retiring. Also, additional time was spent to attempt to remediate the malfunction of the sewer plant.

Line 15: Billing, Collecting and Accounting (840):

Clerk's salary was increased over prior year.

Line 21: Outside Services Employed (852):

Includes attorney fees and monthly testing costs related to remediation of malfunctioning sewer plant.

Sewer Services (Page N-09)

Adjustments:

Utility took an inventory at yearend. Adjustment corrects the total.
